

## MODIFYING AMMUNITION RECORDKEEPING REQUIREMENTS

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DECEMBER 9, 1970.—Committed to the Committee of the Whole House on the  
State of the Union and ordered to be printed

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Mr. ULLMAN, from the Committee on Ways and Means,  
submitted the following

### REPORT

[To accompany H.R.14233]

The Committee on Ways and Means, to whom was referred the bill (H.R. 14233) to modify ammunition recordkeeping having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert:

That section 4182(c) of the Internal Revenue Code of 1954 (relating to records) is amended by inserting ".22 caliber rimfire ammunition," after "rifles generally available in commerce,".

### I. SUMMARY

The bill, H.R. 14233, adds .22 caliber rimfire ammunition to the list of other sporting-type ammunition presently exempt from the reporting requirements under the Gun Control Act of 1968. This means that the sale of .22 caliber rimfire ammunition, as well as the sale of ammunition already exempt from the reporting requirements (shotgun ammunition, ammunition suitable for use only in rifles generally available in commerce, or the component parts for this ammunition), will not require the licensee (seller) to make a record of any information about the purchaser.

This bill is reported unanimously by your committee and the Treasury Department has indicated that it favors the enactment of the bill.

### II. REASONS FOR BILL

A provision of the Gun Control Act of 1968 (18 U.S.C. 922(b)(5)) made it unlawful for a licensee (under that act) to sell or deliver a firearm or ammunition without making a record showing the name,

age, and residence of the purchaser. Another provision of that act (18 U.S.C. 923(g)) required all licensees to "maintain such records of importation, production, shipment, receipt, sale, or other disposition of firearms and ammunition" as may be provided by regulations. Treasury Department regulations (26 CFR 178.125) required a licensee who sells ammunition to record: (1) the date of the transaction; (2) the name of the manufacturer, the caliber, gauge or type of component, and the quantity of the ammunition transferred; (3) the name, address, and date of birth of the purchaser; and (4) the method used by the licensee to establish the identity of the purchaser.

In 1969, Congress added a provision (sec. 4182(c)) to the Internal Revenue Code (in the Interest Equalization Tax Extension Act of 1969, Public Law 91-128) which, in effect, repealed the above requirements in the Gun Control Act with respect to sales of (1) shotgun ammunition, (2) ammunition suitable for use only in rifles generally available in commerce, and (3) component parts for these types of ammunition. This exemption does not, however, cover .22 caliber rimfire ammunition.

The types of ammunition exempted under present law from the registration requirements are those used largely in sporting types of firearms. Congress provided this exemption because it believed that the reporting requirements for ammunition for firearms of sporting types created a large and unnecessary administrative burden on the Treasury Department, on firearms dealers, and on the Nation's sportsmen who purchase this type of ammunition.

The exemption from the recordkeeping requirements provided by the 1969 legislation was not applied to .22 caliber rimfire ammunition. The recently repealed Federal Firearms Act (15 U.S.C. 901(7)), excluded .22 caliber rimfire ammunition from a classification of ammunition for pistols and revolvers. Furthermore, your committee understands that .22 rimfire ammunition has become the most popular sporting ammunition for use in rifles in the United States. Moreover, the Treasury Department representative before your committee stated that he knew of no instance where any of the recordkeeping provisions relating to sporting-type ammunition (including .22 caliber rimfire ammunition) had been helpful in law enforcement. Also, the Treasury Department representative reported to your committee that because of the volume of transactions in this ammunition, the recordkeeping requirements have become so burdensome that they tend to detract from the enforcement of other provisions of the firearms laws. Moreover, the representative of the Department of Justice advised your committee that "there is not a single known instance, as we have learned from our discussions with IRS, with the firearms people there, not a single known instance where any of this recordkeeping has led to a successful investigation and prosecution of a crime."

### III. EXPLANATION OF BILL

The bill adds .22 caliber rimfire ammunition to the existing provision (sec. 4182(c) of the code) exempting certain ammunition from the recordkeeping requirements under the Gun Control Act of 1968. Under the provision, as amended, a Federal licensee is not to be required to record the name, address, or other information about the

purchaser of shotgun ammunition, ammunition suitable for use only in rifles generally available in commerce, .22 caliber rimfire ammunition, or the component parts for these types of ammunition.

Your committee believes that this bill is consistent with the objectives of the exemption provided in 1969; that is, to relieve ammunition dealers and sportsmen from unreasonable burdens in the purchase of sporting-type ammunition, and to continue protecting the public safety by retaining recordkeeping requirements with respect to the purchase of ammunition designed primarily for handguns.

This bill does not affect existing controls of interstate shipments and sales of ammunition of any types by a licensee to certain classes of people such as juveniles, drug addicts, felons, and others subject to the provisions of the Gun Control Act of 1968 (chapter 44 of title 18 of the United States Code).

This provision is to be effective after the enactment of the bill.

#### IV. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

##### SECTION 4182 OF THE INTERNAL REVENUE CODE OF 1954

##### SEC. 4182. EXEMPTIONS.

(a) **MACHINE GUNS AND SHORT BARRELLED FIREARMS.**—The tax imposed by section 4181 shall not apply to any firearm on which the tax provided by section 5811 has been paid.

(b) **SALES TO DEFENSE DEPARTMENT.**—No firearms, pistols, revolvers, shells, and cartridges purchased with funds appropriated for the military department shall be subject to any tax imposed on the sale or transfer of such articles.

(c) **RECORDS.**—Notwithstanding the provisions of sections 922(b) (5) and 923(g) of title 18, United States Code, no person holding a Federal license under chapter 44 of title 18, United States Code, shall be required to record the name, address, or other information about the purchaser of shotgun ammunition, ammunition suitable for use only in rifles generally available in commerce, *.22 caliber rimfire ammunition*, or component parts for the aforesaid types of ammunition.



